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Sino-Indian Relations: Impact and Implications of Gandhi's Trip to China

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## Summary

Indian Prime Minister Gandhi's trip to Beijing, now anticipated for the third week in December, probably will result in modest improvements in Sino-Indian relations. The Chinese almost certainly are willing to sign bilateral agreements that demonstrate the historic nature of the visit and that both sides can cite as tangible progress. In addition, although Gandhi and Chinese leaders are unlikely to announce a border settlement at the meeting, they probably will discuss and may agree on principles to settle the dispute. Progress toward improving Sino-Indian relations would diminish the prospects for major conflict between the two Asian giants and for forcing Washington to choose between them.

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The improved atmospherics probably will do little to eliminate the deep-seated suspicions that complicate Sino-Indian relations. China--particularly the Chinese military--remains wary of Indian intentions in South Asia and views India as one of its key rivals over the next decade. India also views China as a long-term threat, and New Delhi likely will remain concerned as Beijing moves to supply new military capabilities to India's South Asian neighbors, especially Pakistan.

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Indian Prime Minister Gandhi almost certainly sees the trip as a way to improve his image at home in an election year; his perceptions of strategic shifts in Asia--particularly improvements in Sino-Soviet relations--probably also prompted him to schedule the trip. Beijing, for its part, sees improved Sino-Indian relations as a way to limit Moscow's influence with New Delhi and to gauge whether China's warming relations with the Soviet Union are affecting India's view of China and the boundary dispute.

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**Gandhi's Objectives: Limited Gains**

We expect Gandhi to sign several agreements during the visit, the first by an Indian prime minister since 1954. He likely will renew a bilateral trade agreement, and Embassy reports indicate he and the Chinese probably will agree on cultural exchanges, civil aviation links, and cooperation in science and technology. The two sides may also agree to exchange new consulates. In our view, Gandhi intends these agreements as ways to improve Sino-Indian relations so he can minimize domestic resistance to a future border settlement. [ ]

Gandhi probably will make some move in Beijing that demonstrates his political resolve to find eventually some settlement on the most contentious bilateral issue, the border problem. He can choose from several options that will indicate his intent to solve the issue: schedule a date for the ninth round of formal border talks; invite a high-level Chinese delegation to New Delhi; or agree to principles that border negotiators will follow for deciding the border problem and to agree that it will be settled peacefully. [ ]

In any event, we believe Gandhi calculates that most Indians expect him to discuss the border dispute and that his trip may be perceived as a failure if he does not make a positive statement on the issue after the visit. [ ]

New Delhi and Beijing also are likely to discuss cooperation on high technology developments [ ]

[ ] Both sides agreed at pre-summit discussions that the developing countries would be left behind unless they found a way to bridge a growing technological gap with the West. Although the specific areas of high technology cooperation are unclear, we expect the topics of discussion will include agricultural and pharmaceutical applications of biotechnologies, industrial uses of computers and software, and the development of common positions in international fora on technology transfer. [ ]

New Delhi has other long-term concerns Gandhi may raise in Beijing--such as nuclear weapons proliferation in Asia, global nuclear disarmament, and Chinese missile sales--but we do not believe he will upset fragile Sino-Indian relations by pressing Beijing. According to diplomatic reporting, New Delhi is concerned that Pakistan will acquire Chinese CSS-2 intermediate-range ballistic missiles. [ ]

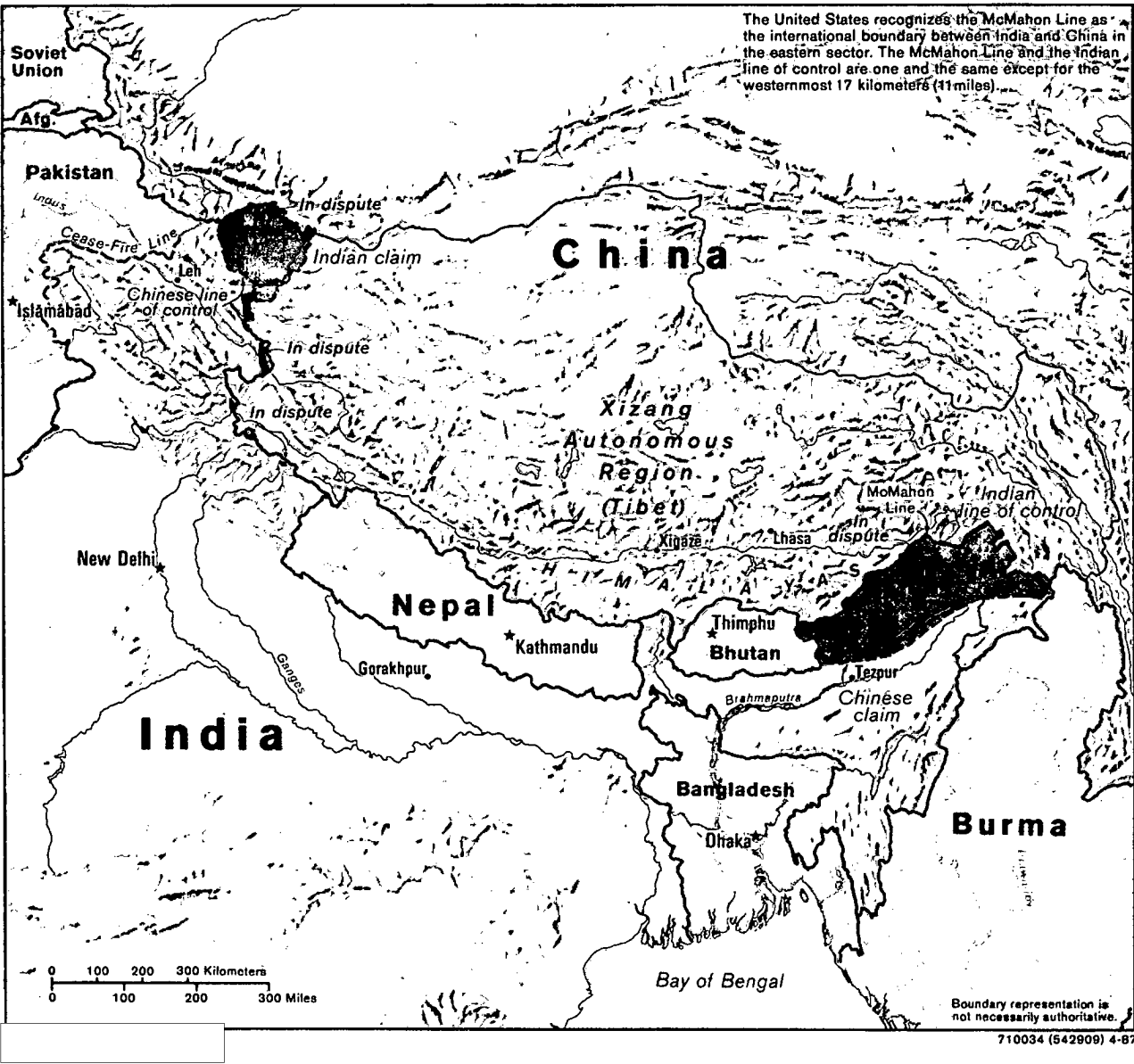
**Gandhi's Reasons for Making the Trip**

We believe Gandhi's perceptions of strategic changes in Asia prompted him to schedule the visit. According to US Embassy reporting, Gandhi is fearful of being excluded from the Asian future outlined in Soviet President Gorbachev's Krasnoyarsk speech. Gandhi probably believes that a dialogue with China is important to reassert India's role as a major Asian power. Gandhi probably also is motivated by fear that improvements in Sino-Soviet relations will decrease Moscow's commitment to India. According to diplomatic reports, Gandhi rejected statements by Gorbachev during his 18-20 November trip to New Delhi that Sino-Indian and Indo-Soviet ties are interrelated; Gandhi later told the Indian parliament that China was "unimportant" to Indo-Soviet relations. [ ]

Gandhi almost certainly sees better relations with China as a way to weaken ties between Islamabad and Beijing. China is an important supplier of military hardware to Pakistan, and New Delhi is concerned about reports that Beijing has supplied nuclear weapons designs and might supply missiles to Islamabad, according to diplomatic reports. Indian strategic thinkers also are worried about how the Chinese would react to another Indo-Pakistani war and the extent to which Beijing would assist Islamabad. [ ]

Gandhi probably expects to reap limited domestic benefits from the trip. Throughout his administration, Gandhi and his advisers have tried to capitalize on his frequent trips abroad to portray him as a world-class statesman. His visit to China will conclude a year during which he has made trips to Japan, Eastern and Western Europe, and [ ]

Sino-Indian Border Claims



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Canada. The juxtaposition of the China trip with Soviet President Gorbachev's November visit to New Delhi will allow Gandhi to play up the statesman image in the runup to the national election in 1989. We believe Gandhi will avoid making concessions of Indian territory during the trip that could resolve the border problem because he fears such a move would spark a domestic backlash that could hurt him in an election year. [ ]

### The View From Beijing

We believe that Beijing--recognizing that Gandhi is taking some political risk in visiting China before the national election--sees the Indian leader's visit as an unprecedented opportunity to establish a relationship with him that can be used to its advantage. Historically, Beijing's favorite negotiating tactic with a foreign leader has been to guarantee a successful first meeting and--once a "special relationship" has been established--use subsequent contacts to hint about undefined setbacks unless its "legitimate concerns" are met. Beijing apparently used this ploy earlier this year during the first visit by Japanese Prime Minister Takeshita. [ ]

The Chinese Foreign Ministry in October began calling world attention to the planned Gandhi visit when Foreign Minister Qian described it as a "major event" and termed improved Sino-Indian ties as beneficial for regional and world stability. Beijing probably calculates that improved Sino-Indian ties could ultimately lead to a lessening of Soviet influence in New Delhi and is eager to gauge whether China's warming relations with the Soviet Union are affecting India's view of China and the boundary dispute. Chinese officials have noticed that in pre-visit talks key Gandhi advisers appeared to take a softer line on the border issue than Indian Foreign Ministry officials, according to the US Embassy in Beijing. [ ]

[ ]  
Beijing does not expect any breakthroughs on the border dispute but almost certainly will demonstrate to Gandhi in private China's resolve on the issue. According to the US Embassy in Beijing, the Chinese will stick to their position that India must first agree to concessions in the eastern

boundary section--and remove its troops from forward positions there--before China will discuss the western sector. We believe that Beijing will reject any Indian proposal that both sides withdraw their forward-deployed troops as a confidence-building measure, although China may agree to an Indian proposal for a hotline between regional military commanders as an alternative measure to reduce tension. [ ]

Beijing probably will seek to minimize other contentious bilateral and regional issues during the visit:

- According to the US Embassy in Beijing, the Chinese dispute India's view of Burma as a South Asian country and are not interested in discussing Burma. India is concerned about unrest in Rangoon, which has led to several hundred Burmese fleeing into India's northeastern border states.
- Beijing probably is satisfied with India's diplomatic handling of the Tibet autonomy issue, and will simply encourage New Delhi's current policy of restraint. The Chinese are considering asking the Indians to establish a consulate in Lhasa to lend legitimacy to Chinese sovereignty in Tibet.
- China may ask New Delhi to support Beijing's proposal for a quadripartite coalition to govern Cambodia. Beijing may suggest that India, which has good relations with Hanoi, urge a rapid Vietnamese withdrawal from Cambodia.
- Beijing is unlikely to address Gandhi's concern that China will provide Pakistan with ballistic missiles, nuclear-powered submarines, or nuclear weapons technology. If pressed, Beijing may counter with its concern that

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New Delhi's acquisition of a nuclear-powered submarine exceeds India's defensive needs and will add to regional tension.

The Chinese almost certainly will express their continuing support for Pakistan.

Chinese Premier Li Peng plans to visit Pakistan after the Gandhi visit to reassure Islamabad of its importance in China's foreign policy, according to US diplomatic reporting.

#### Outlook

In our judgment, Gandhi's trip to China probably will not result in more than small steps toward long-term improvements in the relationship. We do not believe the agreements that likely will be signed portend major changes in the relationship.

Although Gandhi probably will make a move that indicates his willingness eventually to resolve the border issue, perhaps by scheduling the next round of border talks or agreeing on principles for resolving the problem. New Delhi has long-term concerns about China apart from the border problem that likely will hamper efforts to build a close relationship. We believe India sees China as a more potent strategic threat than Pakistan in the long-term. In our view, New Delhi's role as South Asia's dominant power will continue to result in Indian suspicions about Chinese overtures to regional states--particularly Pakistan, but also Bangladesh and Nepal--within India's sphere of influence.

We believe Gandhi's visit could lay the groundwork for a future border settlement, particularly if the two sides announce principles for resolving the dispute. Both sides may eventually

settle on keeping the territory they already occupy rather than bargaining part of it away for concessions from the other side. Currently, however, each side now wants the other to agree on concessions in the east. Gandhi has suggested that he believes some type of "mutual accommodation" will be necessary to solve the dispute, but he likely wants to delay making concessions of Indian land because he believes such a move would give his domestic political opposition an issue for the national election.

Beijing is likely to remain skeptical of India's ultimate intentions toward the disputed border region and South Asia. The Indian decision in late 1986 to confer statehood on the disputed territory of Arunachal Pradesh and India's military buildup, in particular, have fueled the Chinese leadership's concerns. The attitude of the Chinese military is likely to be a major obstacle to improved Sino-Indian relations, and Chinese military officers are likely to warn Beijing of the dangers of India's growing military capabilities.

China--downplaying the likelihood of a war with the Soviet Union--views India and Vietnam as its two key military threats during the next decade. Chinese military leaders are restructuring their ground and airborne forces to permit more rapid reinforcement of isolated areas, such as Tibet.

In our judgment, continued Chinese supplies of military equipment to Pakistan will make it difficult for New Delhi and Beijing to improve relations sharply during the next few years. We believe China will find it difficult to reject recent Pakistan requests for Silkworm antiship missiles, ballistic missiles, and nuclear-powered submarines. To avoid destabilizing the Subcontinent, Beijing probably will deny Pakistan the CSS-2 IRBM with its 3,000 kilometer range but may instead supply Pakistan with short-range ballistic missiles--such as the M-9--commensurate with the ballistic missiles India is developing. China's relations with Pakistan almost certainly will be damaged by a Chinese refusal to provide such defense equipment and likely would be interpreted by Islamabad as a deliberate ploy to improve Sino-Indian relations at Pakistan's expense.

### Implications for the United States

A warming Sino-Indian relationship has positive implications for the United States because it portends eased tensions in the region and perhaps diminished Soviet influence. Lowering the chances for armed conflict between the two Asian giants decreases the possibility that Washington might, as a result of a border conflict, be forced to choose between the two powers. [ ]

Rapprochement between Beijing and New Delhi could also diminish the polarizing impact on regional alliance patterns between regional states and the great powers. In our judgment, improved relations between Beijing and New Delhi might allow India to lessen its dependence on the Soviet Union, thus improving the chances for strengthened Indo-US ties. Although Beijing is unwilling to weaken its ties to Islamabad, improved Sino-Indian relations could prompt the Chinese to reconsider the extent of support it would provide to Islamabad in the event of another Indo-Pakistani war. We believe that Beijing would give Islamabad diplomatic support and probably some military supplies. The Chinese, however, might not be as willing to make threatening military moves along the Sino-Indian border as they were in the past. [ ]

Improved Sino-Indian ties also increases the slim chances that both countries will participate in an Asian nuclear dialogue. China has signed an agreement allowing the International Atomic Energy Agency to inspect civilian nuclear sites. Beijing might encourage India to take that initial step toward international oversight of its nuclear facilities. On the other hand, China backs India's argument that the Nuclear Nonproliferation Treaty (NPT) is discriminatory, and neither country is likely to sign the NPT. [ ]

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### The Soviet View of Gandhi's Visit

Among the purposes that Moscow probably hoped President Gorbachev's visit to India last month would serve was the reaffirmation of the Indo-Soviet "special friendship" before Gandhi's trip to Beijing. The Soviets are concerned that the priority they now give to improving relations with China is undermining New Delhi's confidence in the continued compatibility of Soviet and Indian strategic interests and, therefore, in Moscow's reliability. New Delhi has not been convinced by repeated assurances from the Soviets that they value India as much as ever and that better relations with China will not come at the expense of third countries. Indian suspicions were fed by the focus on China in Gorbachev's Vladivostok speech in 1986 and by Moscow's failure to provide an endorsement of New Delhi's position on the border dispute with China in 1987. [ ]

Although the Soviets would not view close ties between New Delhi and Beijing with equanimity, they consider a rapprochement unlikely and calculate that any reduction in Sino-Indian tensions is, on balance, in their interest. Moscow hopes to avoid the blow to relations with one side or the other that might be forced on it in the event of an open Sino-Indian conflict. Failure to back New Delhi would dwarf any current strains in Indo-Soviet relations, while any support for India would endanger improvements in Sino-Soviet relations. Equivocation by Moscow, on the other hand, probably would offend both New Delhi and Beijing. [ ]

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